## REMARKS

Claims 1, 5, 7 and 11 are amended. Claims 1 and 5 are amended to characterize the invention as a powdered pigment compostion. Claims 7 and 11 are amended to correct a spelling error. The amendments are supported by the application as originally filed, and no new matter is added by the amendments.

Claims 1-13 are rejected under 35 U.S.C. §102(b) as anticipated by Ito et al. (US 5,969,048). Applicants traverse the rejection to the extent that it can be maintained.

Applicants' invention relates to a powdered pigment composition having a surface treatment that provides improved pigment dispersibility and dispersion stability. (See examples and comparative results summarized in tables 1 and 2.) The pigment surface treatment involves using a silicon-free epoxy compound.

In sharp contrast, Ito et al. disclose a colored coating (paint) composition for automobile surfaces having improved adhesion (column 1 lines 5-37). According to Ito et al., prior coating compositions with melamine or similar type binder resins can be brittle and have poor adhesion to an under-coat due to stress strain concentrated in the interface of a coated film when cured by thermosetting (column 1 line 33). Ito et al. solve this problem by incorporating a second copolymer comprising ethylenically unsaturated monomers containing hydroxyl or epoxy groups into their coating composition. The second copolymer, selected from copolymers having an epoxy equivalent within a defined range, provides a coated film that is not too brittle (column 5 lines 61-65). In effect, the second copolymer functions as a plasticizer for the melamine-type binder resin.

Ito et al. incorporate epoxy group-containing ethylenically unsaturated monomers, such as those disclosed beginning at column 5 line 53 to column 7 line 15, into copolymers and do not use the epoxy-containing monomers to treat a pigment surface.

Both applicants and Ito et al. use a dispersant in their respective coating compositions. However, as demonstrated by examples 7 and 8 and comparative examples at table 3 of the application, the viscosity of coating compositions using a pigment of the present invention is significantly less than a coating composition made from untreated pigment. In other words, the amount of dispersant required to disperse pigment can be reduced after the pigment surface is treated according to the invention. On the other hand, Ito et al. achieve a stable dispersion of the pigment by controlling the amount of acids and bases in the pigment and in the dispersing



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agent (column 3 lines 12-18 and column 8 lines 13-40). Clearly, the applicants and Ito et al. use a different means to achieve a useful pigment dispersion.

Applicants respectfully submit that the claimed invention is not anticipated by the coating compositions disclosed by Ito et al., and request that the rejection be withdrawn.

In view of the above amendments and remarks, Applicants respectfully request a Notice of Allowance. If the Examiner believes a telephone conference would advance the prosecution of this application, the Examiner is invited to telephone the undersigned at the below-listed telephone number.

Respectfully submitted,

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